

## §511.14

slogan in press releases and solicitations for owners, and written communications to fair housing and other groups);

(ii) Requirements and practices each owner (including the grantee or any other public owner) must adhere to in order to carry out the grantee's affirmative marketing procedures and requirements (*e.g.*, use of commercial media, use of community contacts, use of the Equal Housing Opportunity logo-type or slogan, display of fair housing poster);

(iii) Procedures to be used by owners (including the grantee or any other public owner) to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (*e.g.*, use of community organizations, churches, employment centers, fair housing groups or housing counseling agencies);

(iv) Records that will be kept describing efforts taken by the grantee and by the owners (including the grantee or any other public owner) to affirmatively market units and records to assess the results of these actions;

(v) A description of how the grantee will assess the affirmative marketing efforts of owners (including the grantee or any other public owner), and the results of those efforts, and what corrective actions will be taken where an owner fails to follow these affirmative marketing requirements.

(2) For States distributing rental rehabilitation grant amounts to units of general local government, the affirmative marketing procedures and requirements shall also set out the actions that State recipients must take to meet the objectives set out in §511.13(b), the record keeping and reporting requirements such State will require of State recipients, and the procedures that such State will follow to determine what action has been taken by State recipients to assess the results of these affirmative marketing efforts.

(3) The grantee or State recipient shall require compliance with the conditions of its affirmative marketing requirements and procedures adopted under paragraph (b) of this section by means of an agreement with the owner

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that shall be applicable for a period of ten years beginning on the date of completion of rehabilitation, as defined in §511.2.

(b) [Reserved]

(Approved by the Office of Management and Budget under control number 2506-0080)

[55 FR 20050, May 14, 1990, as amended at 61 FR 5208, Feb. 9, 1996]

### §511.14 Tenant assistance, displacement, relocation, and acquisition.

(a) *General policies.* The grantee and any State recipient shall:

(1) Ensure that the rehabilitation will not cause the displacement of any very low income family by a family that is not a very low income family.

(2) Consistent with the other goals and objectives of this part, minimize displacement. To the extent feasible, residential occupants shall be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary and affordable dwelling unit in the project (see paragraph (g)(1)(iii) of this section).

(3) Administer all phases of the RRP, including the selection of units to be rehabilitated and the provision of notices, counseling, referrals, other advisory services and relocation payments, in a manner that does not result in discrimination because of race, color, religion, sex, age, handicap, familial status or national origin.

(4) Adopt and make public a written tenant assistance policy (TAP) that describes the assistance that will be provided to tenants who reside in the project and which includes a statement of nondiscrimination policy consistent with paragraph (a)(3) of this section. The TAP shall comply with the provisions of this section. Each tenant in the project shall be provided a copy of the TAP and advised of the impact of the project on him or her. For privately owned projects, such notice shall be given immediately after submission of the application by the owner of a property, or earlier. For publicly owned projects, such notice shall be given immediately after the commitment (defined in §511.2), or earlier.

(b) *Relocation assistance for displaced persons.* A displaced person (defined in paragraph (g) of this section) must be provided relocation assistance at the

levels described in, and in accordance with the requirements of, 49 CFR part 24, which contains the government-wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655). Tenants shall be advised of their rights under the Fair Housing Act (42 U.S.C. 3601-19) and of replacement housing opportunities in such a manner that, to the extent possible, tenants are provided a choice between relocating within their own neighborhoods and other neighborhoods consistent with the grantee's or State recipient's responsibility to affirmatively further fair housing. As permitted under 49 CFR 24.2(k), for purposes of making replacement housing payments, the term *initiation of negotiations* means:

(1) For a privately owned project, execution of the legally binding agreement between the grantee or State recipient and the project owner under which the grantee or State recipient agrees to provide rental rehabilitation grant amounts for the project.

(2) For a publicly owned project, the commitment as defined in § 511.2 or such earlier notice as the grantee or State recipient determines to be appropriate.

(c) *Real property acquisition requirements.* The acquisition of real property for a project is subject to the URA and the requirements described in 49 CFR part 24, subpart B.

(d) *Application of Community Development Block Grant (CDBG) requirements.* If CDBG funds are used to pay any part of the cost of the rehabilitation activities, as described in 24 CFR 570.202(b) or similar eligible activities, the project is subject to the requirements of section 104(d) of the Housing and Community Development Act of 1974, as amended, and implementing regulations at 24 CFR 570.606(b) (Entitlement Program and HUD-administered Small Cities Program) and 24 CFR 570.496a(b) (State CDBG Program).

(e) *Appeals.* If a person disagrees with the grantee's or State recipient's determination concerning the person's eligibility for, or the amount of, relocation assistance, the person may file a written appeal (request for reconsideration) of that determination with the grantee

or State recipient. The appeal procedures to be followed are described in 49 CFR 24.10. A low-income person that has been displaced from a dwelling may submit a further written request for review of the grantee's decision to the appropriate HUD Field Office. However, a low-income person's request for review of a State recipient's decision shall be submitted to the State grantee.

(f) *Compliance responsibility.* (1) The grantee and any State recipient are responsible for ensuring compliance with the URA, the regulations at 49 CFR part 24, and the requirements of this section, notwithstanding any third party's contractual obligation to the grantee or State recipient to comply with these provisions.

(2) The cost of required assistance may be paid from local public funds, funds available under the rules of this part, or funds available from other sources.

(3) The grantee or State recipient must maintain records in sufficient detail to demonstrate compliance with the provisions of this section.

(g) *Definition of a displaced person.* (1) For purposes of this section, the term *displaced person* means any person (family, individual, business, nonprofit organization or farm) that moves from real property, or moves personal property from real property, permanently and involuntarily as a direct result of rehabilitation, demolition or acquisition for a project assisted under this part. Permanent, involuntary moves for an assisted project include a permanent move from the project that is made:

(i) After notice by the property owner, grantee, or State recipient to move permanently from the property, if the move occurs on or after the following date:

(A) If the notice is provided by the property owner, the date that the owner (or person in control of the site) submits a request for assistance under this part that is later approved and funded.

(B) If the notice is provided by the grantee or State recipient, the date of the commitment to a specific local project.

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(ii) Before the date described in paragraph (g)(1)(i) of this section, if either the grantee or HUD determines that the displacement resulted directly from rehabilitation, acquisition or demolition for the project;

(iii) By a tenant-occupant of a dwelling unit after the initiation of negotiations, if:

(A) The tenant has not been provided a reasonable opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the project following the completion of the project at a rent, including estimated average utility costs, that does not exceed the greater of:

(1) The tenant's rent and estimated average utility costs before the commitment; or

(2) The total tenant payment, as determined under 24 CFR 813.107, if the tenant is low-income, or 30 percent of gross household income if the tenant is not low-income; or

(B) The tenant has been required to relocate temporarily, but:

(1) The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in rent and utility costs, or other conditions of the temporary relocation are not reasonable, and

(2) The tenant does not return to the project; or

(C) The tenant is required to move to another unit within the project but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move or other conditions of the move are not reasonable.

(2) A person does not qualify as a displaced person, if:

(i) The person has been evicted for cause based upon a serious or repeated violation of material terms of the lease or occupancy agreement, and the grantee or State recipient determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance; or

(ii) The person moved into the property after the owner's submission of the request for assistance but, before

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commencing occupancy, received written notice of the owner's intent to terminate the person's occupancy for the project; or

(iii) The person is ineligible under 49 CFR 24.2(g)(2); or

(iv) The grantee or State recipient determines that the person was not displaced as a direct result of rehabilitation, acquisition or demolition of the project, and the HUD Field Office concurs in that determination.

(3) The grantee may, at any time, ask HUD to determine whether a specific displacement is or would be covered by these rules.

### §511.15 Lead-based paint.

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title apply to activities under these programs.

[64 FR 50225, Sept. 15, 1999]

### §511.16 Other Federal requirements.

In addition to the Federal requirements set forth in 24 CFR part 5, Grantees and, where applicable, State recipients shall comply with the following requirements:

(a) *Labor standards.* All laborers and mechanics (except laborers and mechanics employed by a State or local government acting as the principal contractor on the project) employed in the rehabilitation of a project assisted under the Rental Rehabilitation Program that contains 12 or more dwelling units after rehabilitation shall be paid wages at rates not less than those prevailing on similar rehabilitation in the locality, if such a rate category exists, or other appropriate rate as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a-276a-5), and contracts involving their employment shall be subject to the provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333). (If CDBG funds are used to finance certain costs for projects of 8 or more units, these labor standards may apply (see 24 CFR 570.603).) If a project is subject to Federal labor standards requirements,